GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA

UNSTARRED QUESTION NO:1820
ANSWERED ON:04.12.2006
MSP FOR SUGARCANE
Jha Shri Raghunath;Prasad Shri Hari Kewal;Yadav Shri Giridhari

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) The criteria adopted in determining Minimum Support Price (MSP) of sugarcane ;

(b) Whether any irregularities have been observed in compliance of this criteria; and

(c) If so, the details thereof and the reaction of the Government thereto ?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION (DR. AKHILESH PRASAD SINGH)

(a) : The Central Government does not procure sugarcane, as such, the question of fixing Minimum Support Price (MSP) of sugarcane does not arise. However, Statutory Minimum Price (SMP) of sugarcane, payable by the sugar factories to the sugarcane farmers, is fixed by the Government on the basis of the recommendations of the Commission for Agricultural Costs and Prices (CACP) and after consultations with the State Governments and such other organizations/authorities, like the Associations of sugar factories and farmers, as are considered appropriate, having regard to:

(a)The cost of production of sugarcane;

(b)The return to the grower from alternative crops and the general trend of prices of agricultural commodities ;

(c)The availability of sugar to the consumer at a fair price;

(d)The price at which sugar produced from sugarcane is sold by producers of sugar; and

(e) Recovery of sugar from sugarcane.

(b) : No, Sir.

(c) : Does not arise.